



[4830-01-p]

## DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 1

[TD 9777]

RIN 1545-BG41; RIN 1545-BH38

Arbitrage Guidance for Tax-Exempt Bonds; Correction

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Correcting amendment.

SUMMARY: This document contains corrections to final regulations (TD 9777) that were published in the **Federal Register** on Monday, July 18, 2016. The final regulations are related to arbitrage restrictions under section 148 of the Internal Revenue Code applicable to tax-exempt bonds and other tax-advantaged bonds issued by State and local governments.

DATES: This correction is effective on **INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER** and is applicable on or after July 18, 2016.

FOR FURTHER INFORMATION CONTACT: Spence Hanemann at (202) 317-6980 (not a toll-free number).

SUPPLEMENTARY INFORMATION:

### **Background**

The final regulations (TD 9777) that are the subject of this correction are issued under section 148 of the Internal Revenue Code.

## **Need for Correction**

As published July 18, 2016 (81 FR 46582), the final regulations (TD 9777) contain an error that needs to be corrected.

## **List of Subjects in 26 CFR Part 1**

Income taxes, Reporting and recordkeeping requirements.

## **Correction of Publication**

Accordingly, 26 CFR part 1 is corrected by making the following correcting amendments:

## **PART 1 - INCOME TAXES**

**Paragraph 1.** The authority citation for part 1 continues to read in part as follows:

Authority: 26 U.S.C. 7805 \* \* \*

**Par. 2.** Section 1.148-4 is amended by revising the paragraph heading for paragraph (h)(3)(iv) to read as follows:

### **§ 1.148-4 Yield on an issue of bonds.**

\* \* \* \* \*

(h) \* \* \*

(3) \* \* \*

(iv) Accounting for modifications and terminations- \* \* \*

\* \* \* \* \*

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[FR Doc. 2018-06704 Filed: 4/2/2018 8:45 am; Publication Date: 4/3/2018]